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ANNUAL AUDITED REPORT
FORM X-17A-5
PART III

FEB 25 2016

SEC FILE NUMBER

8- 68722

FACING PAGE

Information Required of Brokers and Dealers Pursuant to Section 17 of the
Securities Exchange Act of 1934 and Rule 17a-5 Thereunder

REPORT FOR THE PERIOD BEGINNING 01/01/2015 AND ENDING 12/31/2015
MM/DD/YY MM/DD/YY

A. REGISTRANT IDENTIFICATION

NAME OF BROKER-DEALER: Equilibrium Capital Services, LLC

OFFICIAL USE ONLY

ADDRESS OF PRINCIPAL PLACE OF BUSINESS: (Do not use P.O. Box No.)

FIRM I.D. NO.

415 NW 11th St.

(No. and Street)

Portland, OR 97209

(City)

(State)

(Zip Code)

NAME AND TELEPHONE NUMBER OF PERSON TO CONTACT IN REGARD TO THIS REPORT

(Area Code - Telephone Number)

B. ACCOUNTANT IDENTIFICATION

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report*

Breard & Associates, Inc.

(Name - if individual, state last, first, middle name)

9221 Corbin Avenue, Suite 170 Northridge

CA

91324

(Address)

(City)

(State)

(Zip Code)

CHECK ONE:

☒ Certified Public Accountant☐ Public Accountant☐ Accountant not resident in United States or any of its possessions.

FOR OFFICIAL USE ONLY

*Claims for exemption from the requirement that the annual report be covered by the opinion of an independent public accountant must be supported by a statement of facts and circumstances relied on as the basis for the exemption. See Section 240.17a-5(e)(2)

Handwritten initials: JG, 2/1

OATH OR AFFIRMATION

I, MARIEANNE JORAJURIA, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of EQUILIBRIUM CAPITAL SERVICES, as of DEC 31, 2015, are true and correct. I further swear (or affirm) that neither the company nor any partner, proprietor, principal officer or director has any proprietary interest in any account classified solely as that of a customer, except as follows:

N/A

State of Maryland
County of Montgomery

Subscribed and sworn to (or affirmed) before me on this 22 day of February, 2016 by Marieanne Jorajuria proved to me on the basis of satisfactory evidences to be the person who appeared before me.

[Signature]
Signature

FinOp

Title

[Signature]
Notary Public

LAURA RODRIGUEZ
Notary Public-Maryland
Montgomery County
My Commission Expires
November 20, 2018

This report ** contains (check all applicable boxes):

- ☒ (a) Facing Page.
- ☒ (b) Statement of Financial Condition.
- ☒ (c) Statement of Income (Loss).
- ☒ (d) Statement of Changes in Financial Condition.
- ☒ (e) Statement of Changes in Stockholders' Equity or Partners' or Sole Proprietors' Capital.
- ☐ (f) Statement of Changes in Liabilities Subordinated to Claims of Creditors.
- ☒ (g) Computation of Net Capital.
- ☒ (h) Computation for Determination of Reserve Requirements Pursuant to Rule 15c3-3.
- ☒ (i) Information Relating to the Possession or Control Requirements Under Rule 15c3-3.
- ☐ (j) A Reconciliation, including appropriate explanation of the Computation of Net Capital Under Rule 15c3-1 and the Computation for Determination of the Reserve Requirements Under Exhibit A of Rule 15c3-3.
- ☐ (k) A Reconciliation between the audited and unaudited Statements of Financial Condition with respect to methods of consolidation.
- ☒ (l) An Oath or Affirmation.
- ☒ (m) A copy of the SIPC Supplemental Report.
- ☐ (n) A report describing any material inadequacies found to exist or found to have existed since the date of the previous audit.

**For conditions of confidential treatment of certain portions of this filing, see section 240.17a-5(e)(3).



BREARD & ASSOCIATES, INC.
CERTIFIED PUBLIC ACCOUNTANTS

Report of Independent Registered Public Accounting Firm

Board of Directors
Equilibrium Capital Services, LLC

We have audited the accompanying statement of financial condition of Equilibrium Capital Services, LLC as of December 31, 2015, and the related statements of income, changes in member's equity, and cash flows for the year then ended. These financial statements are the responsibility of Equilibrium Capital Services, LLC's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluation of the overall financial statement presentation. We believe that our audit provides a basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Equilibrium Capital Services, LLC as of December 31, 2015, and the results of its operations and its cash flows for the year then ended, in conformity with accounting principles generally accepted in the United States.

The information contained in Schedule I and II (supplemental information) has been subjected to audit procedures performed in conjunction with the audit of Equilibrium Capital Services, LLC's financial statements. The supplemental information is the responsibility of Equilibrium Capital Services, LLC's management. Our audit procedures included determining whether the supplemental information reconciles to the financial statements or the underlying accounting and other records, as applicable, and performing procedures to test the completeness and accuracy of the information presented in the supplemental information. In forming our opinion on the supplemental information, we evaluated whether the supplemental information, including its form and content is presented in conformity with 17 C.F.R. § 240.17a-5. In our opinion, Schedules I and II are fairly stated, in all material respects, in relation to the financial statements as a whole.

Breard & Associates, Inc.
Certified Public Accountants

Seattle, Washington
February 22, 2016

Equilibrium Capital Services, LLC
Statement of Financial Condition
December 31, 2015

Assets

Cash	\$ 1,487,612
Accounts receivable	4,068,684
Due from related party	442
Prepaid expenses	16,522
Total assets	<u>\$ 5,573,260</u>

Liabilities and Member's Equity

Liabilities

Accounts payable and accrued expenses	\$ 136
Commission payable	1,147,283
Payable to related parties	110,308
Total liabilities	<u>1,257,727</u>

Commitments and contingencies

Member's equity

Member's equity	4,315,533
Total member's equity	<u>4,315,533</u>
Total liabilities and member's equity	<u>\$ 5,573,260</u>

The accompanying notes are an integral part of these financial statements.

Equilibrium Capital Services, LLC
Statement of Income
For the Year Ended December 31, 2015

Revenues

Success fee	\$ 1,770,000
Fee for Capital Service Engagements	<u>1,061,684</u>
Total revenues	2,831,684

Expenses

Employee compensation and benefits	1,225,384
Professional fees	53,279
Communication	8,554
Occupancy	55,072
Other operating expenses	<u>47,813</u>
Total expenses	<u>1,390,102</u>

Net income (loss)	<u>\$ 1,441,582</u>
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The accompanying notes are an integral part of these financial statements.

Equilibrium Capital Services, LLC
Statement of Changes in Member's Equity
For the Year Ended December 31, 2015

	<u>Total</u>
Balance at December 31, 2014	\$ 2,873,951
Net income (loss)	<u>1,441,582</u>
Balance at December 31, 2015	<u><u>\$ 4,315,533</u></u>

The accompanying notes are an integral part of these financial statements.

Equilibrium Capital Services, LLC
Statement of Cash Flows
For the Year Ended December 31, 2015

Cash flow from operating activities:

Net income (loss) \$ 1,441,582

Adjustments to reconcile net income (loss) to net
cash provided by (used in) operating activities:

(Increase) decrease in :

Accounts receivable \$ (1,316,684)

Prepaid expenses (15,245)

Due from related party (442)

(Decrease) increase in :

Accounts payable and accrued expenses 100

Commission payable 515,858

Payable to related parties (301,650)

Total adjustments (1,118,063)

Net cash provided by (used in) operating activities 323,519

Net cash provided by (used in) investing activities -

Net cash provided by (used in) financing activities -

Net increase (decrease) in cash 323,519

Cash at December 31, 2014 1,164,093

Cash at December 31, 2015 \$ 1,487,612

Supplemental disclosure of cash flow information:

Cash paid during the year for:

Interest \$ -

Income taxes \$ -

The accompanying notes are an integral part of these financial statements.

Equilibrium Capital Services, LLC
Notes to Financial Statements
December 31, 2015

NOTE 1: GENERAL AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization

Equilibrium Capital Services, LLC (the "Company") was organized in the State of Oregon on October 1, 2010. The Company is a registered broker-dealer in securities under the Securities and Exchange Act of 1934, a member of the Financial Industry Regulatory Authority ("FINRA"), and the Securities Investor Protection Corporation ("SIPC"). The Company is a wholly-owned subsidiary of Equilibrium Capital Group, LLC (the "Member").

The Company is engaged in business as a securities broker-dealer, that provides several classes of services, including private placements, merger and acquisitions advisory services, and broker selling tax shelters or limited partnerships. For the year ended December 31, 2015 all of the Company's income was derived from one private placements, Wastewater Opportunity Fund, LLC.

Under its membership agreement with FINRA and pursuant to Rule 15c3-3(k)(2)(i), the Company is exempt from the requirement of Rule 15c3-3 under the Securities Exchange Act of 1934 pertaining to the possession or control of customer assets and reserve requirements.

Summary of Significant Accounting Policies

The presentation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

Accounts receivable consist of two related parties, Agriculture Capital Management, LLC ("ACM") and Wastewater Capital Management, LLC ("WCM"). The receivables are for one-time success fees and fees for capital service engagements. One-time success fees are a percentage of all capital committed to the related parties or its affiliates investors introduced to them by the Company. The fees for capital service engagements are based on costs incurred, multiplied by 2.5. The fees are payable over 2 – 3 years, depending on the agreement. The related party makes payments on the receivable as they receive management fee income due from its credit-worthy institutional investors. Therefore, management's evaluation of the collectability of the receivable determined an allowance for doubtful accounts to be unnecessary.

Equilibrium Capital Services, LLC
Notes to Financial Statements
December 31, 2015

NOTE 1: GENERAL AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(Continued)

The Company receives advisory fees in accordance with terms stipulated in its engagement contracts. Financial advisory fees are recognized as earned according to the fee schedule stipulated in the client's engagement contracts. No fees were received in 2015.

The Company is engaged in various brokerage activities in which counter-parties primarily include broker-dealers, banks, and other financial institutions. In the event counter-parties do not fulfill their obligations, the Company may be exposed to risk. The risk of default depends on the creditworthiness of the counter-party or issuer of the instrument. It is the Company's policy to review, as necessary, the credit standing of each counter-party.

The Company has adopted authoritative standards of accounting for and the disclosure of events that occur after the balance sheet date but before the financial statements are issued or are available to be issued. These standards require the Company to recognize in the financial statements the effects of all recognized subsequent events that provide additional evidence about conditions that existed at the date of the balance sheet. For non-recognized subsequent events that must be disclosed to keep the financial statements from being misleading, the Company is required to disclose the nature of the event as well as an estimate of its financial effect, or a statement that such estimate cannot be made. In addition, the Company is required to disclose the date through which subsequent events have been evaluated. The Company has evaluated subsequent events through the issuance of their financial statements (See Note 6).

NOTE 2: INCOME TAXES

The operations of the Company are included in the consolidated federal and state income tax return filed by the Member. The Company is treated as a disregarded entity for federal income tax purposes, in accordance with single member limited liability company rules. All tax effects of the Company's income or loss are passed through to the member. Therefore, no provision or liability for Federal or State Income Taxes is included in these financial statements.

NOTE 3: RELATED-PARTY TRANSACTIONS

The Company has an expense-sharing agreement with its Member whereby the Company pays a monthly reimbursement in consideration for certain expenses paid on the Company's behalf. These expenses include personnel, rent and other administrative services. For the year ended December 31, 2015, expenses incurred by the Company in respect of the expense sharing agreement with its member totaled \$578,895. At year end, \$110,308 of the amount is owed to its Member.

Equilibrium Capital Services, LLC
Notes to Financial Statements
December 31, 2015

NOTE 3: RELATED-PARTY TRANSACTIONS

(Continued)

The Company was engaged by ACM, to have the Company introduce them to potential investors. The Member, Equilibrium Capital Group, LLC, is a 50% managing member of ACM. Outstanding accounts receivable from ACM at December 31, 2015 was \$1,237,000, from revenues earned in a prior year.

The Company was engaged by WCM, to have the Company introduce them to potential investors. The Member, Equilibrium Capital Group, LLC, is a 100% managing member of WCM. The Company earned a one-time success fee of 2%, based on capital committed, or a fee for capital service engagements equal to cost incurred times 2.5, per the restrictions certain jurisdictions of certain investors may place on success fees. For the year ended December 31, 2015, income earned under this engagement totaled \$2,831,684. Outstanding accounts receivable from WCM at December 31, 2015 was \$2,831,684.

It is possible that the terms of certain of the related party transactions are not the same as those that would result for transactions among wholly unrelated parties.

NOTE 4: CONCENTRATION OF RISK AND COMMITMENTS

Concentration of risk

The Company maintains bank accounts at financial institutions. These accounts are insured either by the Federal Deposit Insurance Commission ("FDIC"), up to \$250,000, or the Securities Investor Protection Corporation ("SIPC"), up to \$500,000. At times during the year, cash balances held in financial institutions were in excess of the FDIC and SIPC's insured limits. The Company has not experienced any losses in such accounts and management believes that it has placed its cash on deposit with financial institutions which are financially stable.

Commitments

The Company had no commitments, nor contingent liabilities and has not been named as a defendant in any lawsuit at December 31, 2015 or the year then ended.

Equilibrium Capital Services, LLC
Notes to Financial Statements
December 31, 2015

NOTE 5: GUARANTEES

FASB ASC 460, Guarantees, requires the Company to disclose information about its obligations under certain guarantee arrangements. FASB ASC 460 defines guarantees as contracts and indemnification agreements that contingently require a guarantor to make payments to the guaranteed party based on changes in an underlying factor (such as an interest or foreign exchange rate, security or commodity price, an index or the occurrence or nonoccurrence of a specified event) related to an asset, liability or equity security of a guaranteed party. This guidance also defines guarantees as contracts that contingently require the guarantor to make payments to the guaranteed party based on another entity's failure to perform under an agreement as well as indirect guarantees of indebtedness of others.

The Company has issued no guarantees at December 31, 2015 or during the year then ended.

NOTE 6: SUBSEQUENT EVENTS

The Company has evaluated events subsequent to the balance sheet date for items requiring recording or disclosure in the financial statements. The evaluation was performed through the date the financial statements were available to be issued. Based upon this review, the Company has determined that there were no events which took place that would have a material impact on its financial statements.

NOTE 7: RECENTLY ISSUED ACCOUNTING STANDARDS

For the year ending December 31, 2015, various ASUs issued by the FASB were either newly issued or had effective implementation dates that would require their provisions to be reflected in the financial statements for the year then ended. The Company has either evaluated or is currently evaluating the implications, if any, of each of these pronouncements and the possible impact they may have on the Company's financial statements. In most cases, management has determined that the pronouncement has either limited or no application to the Company and, in all cases, implementation would not have a material impact on the financial statements taken as a whole.

Equilibrium Capital Services, LLC
Notes to Financial Statements
December 31, 2015

NOTE 8: NET CAPITAL REQUIREMENTS

The Company is subject to the Securities and Exchange Commission Uniform Net Capital Rule (SEC Rule 15c3-1), which requires the maintenance of minimum net capital and requires that the ratio of aggregate indebtedness to net capital, both as defined, shall not exceed 15 to 1. Rule 15c3-1 also provides that equity capital may not be withdrawn or cash dividends paid if the resulting net capital ratio would exceed 10 to 1. Net capital and aggregate indebtedness change day to day, but on December 31, 2015, the Company had net capital of \$1,377,168 which was \$1,293,320 in excess of its required net capital of \$83,848; and the Company's ratio of aggregate indebtedness (\$1,257,727) to net capital was 0.91 to 1.

EQUILIBRIUM CAPITAL SERVICES, LLC
Schedule I - Computation of Net Capital Requirements
Pursuant to Rule 15c3-1
As of December 31, 2015

Computation of net capital

Member's equity	\$ 4,315,533	
Total member's equity		\$ 4,315,533
Less: Non-allowable assets		
Due from related party	(442)	
Prepaid expenses	(16,522)	
Receivables, non-allowable portion	<u>(2,921,401)</u>	
Total non-allowable assets		<u>(2,938,365)</u>
Net Capital		1,377,168

Computation of net capital requirements

Minimum net capital requirement		
6 2/3 percent of net aggregate indebtedness	\$ 83,848	
Minimum dollar net capital required	<u>\$ 5,000</u>	
Net capital required (greater of above)		<u>(83,848)</u>
Excess net capital		<u>\$ 1,293,320</u>
Aggregate indebtedness		<u>\$ 1,257,727</u>
Ratio of aggregate indebtedness to net capital		0.91 : 1

There was no material difference between net capital computation shown here and the net capital computation shown on the Company's amended Form X-17A-5 report dated December 31, 2015.

See independent auditor's report

EQUILIBRIUM CAPITAL SERVICES, LLC
Schedule II - Computation for Determination of the Reserve Requirements and Information
Relating to Possession or Control Requirements For Brokers and Dealers Pursuant to SEC
Rule 15c3-3
As of December 31, 2015

The Company is exempt from the provision of Rule 15c3-3 under paragraph (k)(2)(i) in that the Company carries no accounts, does not hold funds or securities for, or owe money or securities to customers. Accordingly, there are no items to report under the requirements of this Rule.

See independent auditor's report

Equilibrium Capital Services, LLC
Report on Exemption Provisions
Report Pursuant to Provisions of 17 C.F.R. § 15c3-3(k)
For the Year Ended December 31, 2015



BREARD & ASSOCIATES, INC.
CERTIFIED PUBLIC ACCOUNTANTS

Report of Independent Registered Public Accounting Firm

We have reviewed management's statements, included in the accompanying Assertions Regarding Exemption Provisions, in which (1) Equilibrium Capital Services, LLC identified the following provisions of 17 C.F.R. § 15c3-3(k) under which Equilibrium Capital Services, LLC claimed an exemption from 17 C.F.R. § 240.15c3-3(k)(2)(i) (the "exemption provisions") and (2) Equilibrium Capital Services, LLC stated that Equilibrium Capital Services, LLC met the identified exemption provisions throughout the most recent fiscal year without exception. Equilibrium Capital Services, LLC's management is responsible for compliance with the exemption provisions and its statements.

Our review was conducted in accordance with the standards of the Public Company Accounting Oversight Board (United States) and, accordingly, included inquiries and other required procedures to obtain evidence about Equilibrium Capital Services, LLC's compliance with the exemption provisions. A review is substantially less in scope than an examination, the objective of which is the expression of an opinion on management's statements. Accordingly, we do not express such an opinion.

Based on our review, we are not aware of any material modifications that should be made to management's statements referred to above for them to be fairly stated, in all material respects, based on the provisions set forth in paragraph (k)(2)(i) of Rule 15c3-3 under the Securities Exchange Act of 1934.

Breard & Associates, Inc.
Certified Public Accountants

Seattle, Washington
February 22, 2016

Assertions Regarding Exemption Provisions

We, as members of management of Equilibrium Capital Services, LLC ("the Company"), are responsible for compliance with the annual reporting requirements under Rule 17a-5 of the Securities Exchange Act of 1934. Those requirements compel a broker or dealer to file annual reports with the Securities Exchange Commission (SEC) and the broker or dealer's designated examining authority (DEA). One of the reports to be included in the annual filing is an exemption report prepared by an independent public accountant based upon a review of assertions provided by the broker or dealer. Pursuant to that requirement, the management of the Company hereby makes the following assertions:

Identified Exemption Provision:

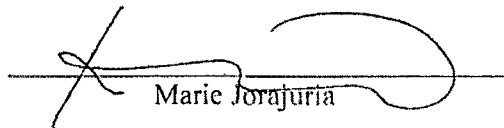
The Company claims exemption from the custody and reserve provisions of Rule 15c3-3 by operating under the exemption provided by Rule 15c3-3, Paragraph (k)(2)(i).

Statement Regarding Meeting Exemption Provision:

The Company met the identified exemption provision without exception throughout the period ending January 1, 2015 through December 31, 2015.

Equilibrium Capital Services, LLC

By:


Marie Jorajuria

____ January 11, 2016 ____
(Date)

Equilibrium Capital Services, LLC
Report on the SIPC Annual Assessment
Pursuant to Rule 17a-5(e)4
For the Year Ended December 31, 2015



BREARD & ASSOCIATES, INC.
CERTIFIED PUBLIC ACCOUNTANTS

Board of Directors
Equilibrium Capital Services, LLC

In accordance with Rule 17a-5(e)(4) under the Securities Exchange Act of 1934, we have performed the procedures enumerated below with respect to the accompanying Schedule of Assessment and Payments [General Assessment Reconciliation (Form SIPC-7)] to the Securities Investor Protection Corporation (SIPC) for the year ended December 31, 2015, which were agreed to by Equilibrium Capital Services, LLC and the Securities and Exchange Commission, Financial Industry Regulatory Authority, Inc., SIPC, solely to assist you and the other specified parties in evaluating Equilibrium Capital Services, LLC's compliance with the applicable instructions of the General Assessment Reconciliation (Form SIPC-7). Equilibrium Capital Services, LLC's management is responsible for Equilibrium Capital Services, LLC's compliance with those requirements. This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of those parties specified in this report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose. The procedures we performed and our findings are as follows:

1. Compared the listed assessment payments in Form SIPC-7 with respective cash disbursement records entries contained in the client general ledger noting no differences;
2. Compared amounts reported on the unaudited Form X-17A-5 for the year ended December 31, 2015, with the amounts reported in General Assessment Reconciliation (Form SIPC-7) for the year ended December 31, 2015, noting no differences;
3. Compared any adjustments reported in Form SIPC-7 with client prepared supporting schedules and working papers contained in our "A" work papers noting no differences;
4. Proved the arithmetical accuracy of the calculations in the Form SIPC-7 and in the related schedules and working papers prepared by Equilibrium Capital Services, LLC supporting the adjustments noting no differences; and
5. Compared the amount of any overpayment applied to the current assessment with the Form SIPC-7 on which it was originally computed noting no differences.

We were not engaged to, and did not conduct an examination, the objective of which would be the expression of an opinion on compliance. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of the specified parties listed above and is not intended to be and should not be used by anyone other than these specified parties.

A handwritten signature in black ink, appearing to read "Breard & Associates, Inc.", with a stylized flourish at the end.

Breard & Associates, Inc.
Certified Public Accountants

Seattle, Washington
February 22, 2016

Equilibrium Capital Services, LLC
Schedule of Securities Investor Protection Corporation
Assessments and Payments
For the Year Ended December 31, 2015

	<u>Amount</u>
Total assessment	\$ 7,079
 SIPC-6 general assessment	
Payment made on January 27, 2016	(6,925)
 SIPC-7 general assessment	
Payment made on January 27, 2016	<u>(154)</u>
Total assessment balance	
(overpayment carried forward)	<u><u>\$ -</u></u>